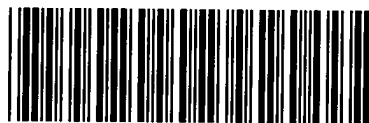


Newcastle Diocesan Society

Annual Report & Financial Statements  
Year ended 31 December 2014

Company no 00021135  
Charity no 247234

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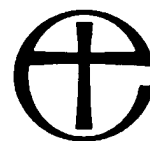
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# **NEWCASTLE DIOCESAN SOCIETY**

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# **NEWCASTLE DIOCESAN SOCIETY**

## **DIRECTORS' AND TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2014**

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### **Directors**

The Bishop of Newcastle – The Right Reverend JM Wharton (resigned 30/11/2014)

The Assistant Bishop of Newcastle – The Right Reverend F White

The Archdeacon of Lindisfarne – The Venerable PJA Robinson

The Archdeacon of Northumberland – The Venerable GV Miller

Canon GJ Baker-Cresswell (Chair)

Canon SR Harper

The Reverend Canon JA Robertson

The Reverend Canon D Winter

Mr S Roberson

Dr JC Appleby

Mr PA Sturgess

### **Secretary**

Mr S Waddle

### **Auditors**

UNW LLP

Chartered Accountants & Statutory Auditors

Citygate, St. James' Boulevard

Newcastle upon Tyne

NE1 4JE

### **Solicitors**

Sintons

The Cube, Barrack Road

Newcastle upon Tyne

NE4 6DB

### **Bankers**

Barclays Bank Plc

Wingrove, 446 Westgate Road

Newcastle upon Tyne

NE4 9BN

### **Registered office**

Church House

St John's Terrace, North Shields

Tyne and Wear, NE29 6HS

(Telephone: 01912 704100)

(Fax: 01912 704101)

### **Company registration number**

00021135

### **Registered charity number**

247234

# NEWCASTLE DIOCESAN SOCIETY

## DIRECTORS' AND TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

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The directors, who are trustees as the company is a charity, present their annual report together with the audited financial statements, for the year ended 31 December 2014.

### 1. Reference and administrative details of the Newcastle Diocesan Society

These are set out on page 1.

### 2. Structure, governance and management

Newcastle Diocesan Society (NDS) is a registered charity (Charity number 247234) acting as trustee and custodian trustee responsible for trust funds and properties held upon trust for the Diocese and Parochial Church Councils (PCCs).

The Board meets at least twice a year to agree and confirm actions/decisions taken with regards to access to, payments from and management of trust funds, and the allocation of grants from trusts in its care. This is carried out in the spirit of being '*Generous, Engaged and Open – sustaining local Christian presence*', which is the core of Diocesan strategy.

#### **Company status**

Newcastle Diocesan Society is a company limited by guarantee (Company registration number 00021135) by its Memorandum and Articles of Association dated 1885. It is registered as a charity with the Charity Commission (Charity registration number 247234).

#### **Decision-making structure**

The Board of Directors has delegated responsibility for the day-to-day management of the company to the Company Secretary, which involves the maintenance of the accounts, dealing with general enquiries from Managing Trustees and following through the decisions made by directors. The directors meet at least twice a year. The chairman does have authority to make decisions on behalf of the directors between meetings if it is thought that the matter is urgent. Any such decision is confirmed by the directors at their next meeting. All decisions taken at the meetings are recorded in the minutes.

#### **Appointment of Directors**

The directors who served the charity during the period are listed on page 1.

The directors are appointed by NDS after nomination by a written notice as required by the charity's Articles of Association. The articles also stipulate that not more than twenty persons may be so nominated as members of NDS during one year. Directors are given induction training when first appointed and receive on-going training, as appropriate. Where there is an identified training need this is provided in house, or if necessary external training will be arranged.

#### **Directors' and Trustees' responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the net incoming or outgoing resources of the company for that year.

In preparing those financial statements the directors are required to:

- Select the most suitable accounting policies and apply them consistently;
- Observe the methods and principals in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- Follow applicable accounting standards and the SORP, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

# NEWCASTLE DIOCESAN SOCIETY

## DIRECTORS' AND TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

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The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the corporate and trust assets of the company and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors as a Board confirm that to the best of their knowledge there is no information relevant to the audit of which the auditors are unaware, and that they have each taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

### **Connected charities**

NDS has a close relationship with the Newcastle Diocesan Board of Finance Limited (NDBF) which has trust funds held by NDS.

### **Risk management**

The directors have examined the major business, strategic and operational risks that NDS faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

## **3. Aims, objectives and activities**

### **Aims and objectives**

NDS aims to promote, facilitate and assist with the work and purposes of the Church of England for the advancement of the Christian faith in the Diocese of Newcastle and elsewhere.

The specific aims and objectives for NDS are as follows:

- To manage the funds in accordance with its duties and responsibilities exercising appropriate stewardship for and on behalf of NDBF and PCCs.
- To monitor the performance of the investment managers acting on behalf of NDS and provide appropriate advice and direction as required.
- To monitor the administration costs of NDS's unrestricted funds.
- To maintain adequate reserves.

NDS meets administration costs from its own funds and therefore no charges are made to individual trust funds.

### **Public Benefit**

The directors are aware of the Charity Commission's guidance on public benefit in *The Advancement of Religion for the Public Benefit* and have had regard to it in their administration of NDS. The directors believe that, by promoting the work of the Church of England in the Diocese of Newcastle, NDS helps to promote the whole mission of the Church (including pastoral, social and ecumenical) more effectively, both in the Diocese as a whole and in its individual parishes, and that in doing so it provides a benefit to the public.

### **Statutory functions**

NDS acts as custodian trustee in relation to St Hilda's Trust, a separately registered charity, and also in relation to PCC properties and certain diocesan properties.

### **Grant-making (beneficiary-selection) policy**

This is carried out in accordance with the terms and objectives of each individual trust under the umbrella of NDS with the consent and approval of the directors.

# NEWCASTLE DIOCESAN SOCIETY

## DIRECTORS' AND TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

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### Political contributions

There have been no political contributions.

## 4. Achievements and performance

### Review of 2014

- Investment income at £198,273 (2013: £193,587) was a little higher than in the previous year.
- During the year NDS received, within other incoming resources, income of £45,265 which came from the closure of registered charity number 244762, the Clerical Assurance Fund (Newcastle Branch), and income of £26,962 from one of the parishes in the diocese (2013: £183,712 from one parish). These funds were used to acquire investments.
- £224,162 (2013: £186,022) was paid out of charitable activities during the year, a 20.5% increase over the figure for the previous year.
- The market value of the investments increased by 5.3% during the year and there was an unrealised gain of £259,295. The investments, excluding deposits, are now held at £5,139,340.

### Operational performance

The directors continue to seek advice and guidance from their professional advisers in relation to the investments. The directors invest the capital of all the funds in the Central Board of Finances Investment Fund or the Central Board of Finances Deposit Fund. The fund conforms to the guidance given by the Church's Ethical Investment Advisory Group.

### Investment performance

The total value of investments (excluding short-term cash deposits) at 31 December 2014 was £5,139,340 (2013: £4,850,305) and the total return on investment was 4.0% (2013: 4.5%). The unrealised gain in the value of investments during the year amounted to £259,295, an increase of 5.3% on the equity portfolio.

## 5. Financial review

### Overall financial position

Income before revaluation adjustments totalled £270,500 (2013: £377,299) and expenditure amounted to £228,262 (2013: £190,042).

The Statement of Financial Activities (SOFA) for the year shows net incoming resources of £42,238 (2013: £187,257) before gains and losses on the investment assets.

After all gains and losses for the year, the net movement in funds amounted to a surplus of £301,545 (2013: £674,236). During the year, total fund balances increased from £5,459,684 to £5,761,229.

### Principal Funding Sources

100% of the income of NDS is from investments or funds used to acquire investments.

### Review of the financial position

The unrealised gain on investments has helped to strengthen the NDS balance sheet.

### Going concern

After making enquiries the directors are satisfied that NDS has adequate resources to continue to operate as a going concern for the foreseeable future and have prepared the financial statements on that basis.

### Investment policies

The Memorandum and Articles of Association of the charity permit wide powers of investment. The NDS investment strategy is based on two key policies:

*Ethical investment* - This includes ensuring that investments are held in companies which have high standards of corporate governance and act in a responsible way towards stakeholders.

# NEWCASTLE DIOCESAN SOCIETY

## DIRECTORS' AND TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

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*Long-term responsibilities* - the directors are aware of their long-term responsibilities in respect of endowed funds and as a result follow a correspondingly prudent approach to investment decisions.

Investment policy for long-term funds is aimed primarily at generating a sustainable income with due regard to the need for the preservation of capital value and the possible need to realise investments to meet operational needs.

### **Reserves policy**

The directors need to keep a certain level of reserves as protection against unexpected fluctuations in income and to assist at certain times of the year with cash flow. At 31 December 2014 the amount available in the NDS's general fund was £273,091 (2013: £261,420). The directors confirm that the unrestricted funds are adequate and readily available to fulfil the obligations of administering NDS in the future.

### **6. Plans for future periods**

The directors intend to continue to administer the funds in trust and meet the day to day running costs from the general fund. The specific objectives for 2014 remain as per previous years:

- To manage the funds in accordance with its duties and responsibilities exercising appropriate stewardship for and on behalf of the Diocese and PCCs;
- To monitor the performance of the investment managers acting on behalf of NDS and provide appropriate advice and direction as required;
- To monitor the administration costs of NDS's unrestricted funds;
- To maintain adequate reserves.

### **7. Funds held as custodian trustee for others**

The Board is custodian trustee for trust investment assets with a market value of £1,792,340 at 31 December 2014 (2013: £1,692,907). The Board also holds property on behalf of Parochial Church Councils (PCCs) as custodian trustee. There were 128 properties held by NDS at the year end, one less than at the 2013 year end as one property was sold during the year. Due to the nature of the assets concerned it is not possible to place a valuation on the land and buildings. As these are custodian assets any valuation would be for disclosure purposes only. As each PCC is a separate charity these assets are held separately from those of NDS.

### **8. Appointment of auditors**

The auditor is deemed to be reappointed under section 487 (2) of the Companies Act 2006 until otherwise resolved at a general meeting of the company.

By Order of the Board



Canon GJ Baker-Cresswell

Chair

Date 10 March 2015

# **NEWCASTLE DIOCESAN SOCIETY**

## **INDEPENDENT AUDITORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2014**

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We have audited the financial statements of Newcastle Diocesan Society for the year ended 31 December 2014 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the trustees and auditors**

The directors' responsibilities for preparing the Directors' and Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Directors' and Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Directors' and Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosure of directors' remuneration specified by law are not made.

We read the Directors' and Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



# **NEWCASTLE DIOCESAN SOCIETY**

## **INDEPENDENT AUDITORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2014**

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### **Opinion**

In our opinion:

1. the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 December 2014, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
2. the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
3. the financial statements have been prepared in accordance with the Companies Act 2006; and
4. the information given in the Directors' and Trustees' Annual Report is consistent with the financial statements.



**Andrew Wilson BA FCA (Senior Statutory Auditor)**

For and on behalf of  
UNW LLP, Statutory Auditor,  
Chartered Accountants  
Citygate  
St James Boulevard  
Newcastle upon Tyne  
NE1 4JE

Date: 10 March 2015

# NEWCASTLE DIOCESAN SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31 DECEMBER 2014

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2014 £	Total Funds 2013 £
<b>Incoming resources</b>						
<b>Incoming resources from generating funds:</b>						
Investment income	2	9,653	75,513	113,107	198,273	193,587
Other incoming resources	3	-	45,265	26,962	72,227	183,712
<b>Total incoming resources</b>		<b>9,653</b>	<b>120,778</b>	<b>140,069</b>	<b>270,500</b>	<b>377,299</b>
<b>Resources expended</b>						
Charitable activities	4	(6,653)	(119,196)	(98,313)	(224,162)	(186,022)
Governance costs	5	(4,100)	-	-	(4,100)	(4,020)
<b>Total resources expended</b>		<b>(10,753)</b>	<b>(119,196)</b>	<b>(98,313)</b>	<b>(228,262)</b>	<b>(190,042)</b>
<b>Net (outgoing)/incoming resources before other recognised gains and losses</b>						
		<b>(1,100)</b>	<b>1,582</b>	<b>41,756</b>	<b>42,238</b>	<b>187,257</b>
Realised (losses)/gains on investment assets		-	(406)	418	12	369
Unrealised gains on investment assets		12,771	98,762	147,762	259,295	486,610
<b>Net movement in funds</b>		<b>11,671</b>	<b>99,938</b>	<b>189,936</b>	<b>301,545</b>	<b>674,236</b>
<b>Reconciliation of funds</b>						
<b>Total funds as at 1 January 2014</b>		<b>261,420</b>	<b>2,106,523</b>	<b>3,091,741</b>	<b>5,459,684</b>	<b>4,785,448</b>
<b>Total funds as at 31 December 2014</b>		<b>273,091</b>	<b>2,206,461</b>	<b>3,281,677</b>	<b>5,761,229</b>	<b>5,459,684</b>

All of the above amounts relate to continuing activities.

# NEWCASTLE DIOCESAN SOCIETY

## INCOME AND EXPENDITURE ACCOUNT FOR YEAR ENDED 31 DECEMBER 2014


	Note	2014 £	2013 £
<b>Income</b>		<b>45,265</b>	<b>183,712</b>
<b>Total income</b>		<b>45,265</b>	<b>183,712</b>
<b>Expenditure</b>		<b>(129,949)</b>	<b>(112,933)</b>
<b>Operating (loss)/surplus</b>		<b>(84,684)</b>	<b>70,779</b>
<b>Non-operating items</b>			
Realised (losses)/gains on investments		(406)	369
		(85,090)	71,148
<b>Other income</b>			
Income from shares in listed companies	2	83,807	82,044
Interest receivable and similar income	2	1,359	1,550
		85,166	83,594
<b>Retained surplus for the financial year</b>		<b>76</b>	<b>154,742</b>
All of the above amounts relate to continuing activities.			
		2014 £	2013 £
Net surplus for the financial year		76	154,742
Unrealised gains on investments		111,533	197,909
<b>Total gains recognised since the last annual report</b>		<b>111,609</b>	<b>352,651</b>

# NEWCASTLE DIOCESAN SOCIETY

## BALANCE SHEET AS AT 31 DECEMBER 2014

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Investments	10	5,139,340	4,850,305
		<u>5,139,340</u>	<u>4,850,305</u>
<b>Current assets</b>			
Cash at bank		625,989	613,399
Creditors: amounts falling due within one year	11	(4,100)	(4,020)
		<u>621,889</u>	<u>609,379</u>
<b>Net current assets</b>			
		<u>621,889</u>	<u>609,379</u>
<b>Net assets</b>			
		<u>5,761,229</u>	<u>5,459,684</u>
<b>The funds of the charity</b>			
Endowment funds	7	3,281,677	3,091,741
Restricted income funds	7	2,206,461	2,106,523
Unrestricted income funds	7	273,091	261,420
		<u>5,761,229</u>	<u>5,459,684</u>
<b>Total funds</b>			
		<u>5,761,229</u>	<u>5,459,684</u>

The notes on pages 11 to 15 form part of these financial statements. The accounts were approved by the members of NDS on the 10 March 2015 and are signed on their behalf by:

  
**Canon G J Baker-Cresswell**  
 Chair

Company number 00021135

# NEWCASTLE DIOCESAN SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2014

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### 1. Principal accounting policies

The financial statements comply with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" published in March 2005, as interpreted by the Diocesan Annual Report and Financial Statements Guide. A summary of the material accounting policies and estimation techniques adopted follows.

#### **Basis of preparation**

The Board prepares its annual financial statements on the basis of historical cost and the carrying of investment assets (including investment properties) at market value. The financial statements are drawn up in accordance with the requirements of the Companies Act 2006.

NDS acts as a trustee responsible for 89 Trust Funds held on behalf of the Diocese and Parochial Church Councils. Income received and expenditure on behalf of and distributions for the specified purposes of the funds in trust are included in the Statement of Financial Activities and are allocated to the capital or income funds as appropriate and in accordance with the terms of the trust deeds of the individual funds.

Fund balances are split between unrestricted, restricted and endowment funds.

- **Unrestricted** funds represent funds which are expendable at the discretion of the directors in the furtherance of the objectives of the charity. Such funds may be held in order to finance both administration and operational costs.
- **Restricted** funds represent grants, donations, legacies and assets which are allocated by the donor for specific purposes. These are expendable at the discretion of NDS acting as trustee in furtherance of the objects of the individual trust. Restricted funds may be restricted income funds and/or capital funds, where the assets are required to be invested or retained for actual use rather than expended.
- **Endowment** funds represent grants, donations and legacies received where the donor has stipulated that the income may be used for general purposes, but the capital must be retained.

"Special trusts" (as defined by the Charities Act 2012) and any other trusts where the company acts as trustee and controls the management and use of the funds, are included in the company's own financial statements as charity branches, subject to the Charity Commission's determination of their accounting status.

Trusts where the Board acts merely as custodian trustee with no control over the management of the funds are not included in the financial statements but are disclosed in the Directors' and Trustees' Annual Report.

#### **Incoming resources**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Board is legally entitled to them as income or capital respectively, ultimate receipt is reasonably certain and the amount to be recognised can be quantified with reasonable accuracy.

Where a claim for repayment of income tax has or will be made, such income is grossed up for the tax recoverable.

The following accounting policies are applied to income.

- Investment income is accounted for when receivable and includes the related tax recoverable.
- Legacies and donations are accounted for when conditions for their receipt have been met. Legacies received in the form of property or investments are accounted for at the lower of probate or market value.
- Monies from endowment funds are allocated to restricted income funds in accordance with trust terms.

## **NEWCASTLE DIOCESAN SOCIETY**

### **NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2014**

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#### **Resources expended**

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the SOFA category. NDS's operating costs include professional fees and other related costs representing management and administration expenditure.

Distributions to beneficiaries are accounted for when expenditure has been incurred in respect of the various trust funds. Disbursements from trust funds are made strictly in accordance with the terms of the trust for the individual funds. Where the terms of a specific fund require the consent of NDS, this is recorded in the minutes of the NDS meeting at which it was discussed.

Governance costs represent expenditure incurred in the management of the trust funds, organisational administration, and compliance with constitutional and statutory requirements. These costs are charged to the General Fund not the individual trust funds.

#### **Investments**

Investments are shown at their market value on the date of the balance sheet. Investments held by NDS as custodian trustee are not included in these accounts.

#### **Taxation**

The activities of NDS are exempt from taxation under Section 505 of the Income and Corporation Taxes Act 1988.

#### **Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that NDS is small.

# NEWCASTLE DIOCESAN SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2014

### 2 Investment income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2014 £	Total Funds 2013 £
Income from UK listed investments	9,593	74,214	111,472	195,279	190,288
Bank interest receivable	60	1,299	1,635	2,994	3,299
	<u>9,653</u>	<u>75,513</u>	<u>113,107</u>	<u>198,273</u>	<u>193,587</u>

### 3 Other incoming resources

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2014 £	Total Funds 2013 £
Sundry income	-	45,265	26,962	72,227	183,712
	<u>-</u>	<u>45,265</u>	<u>26,962</u>	<u>72,227</u>	<u>183,712</u>

### 4 Costs of charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2014 £	Total Funds 2013 £
Grant funding activities	6,653	119,196	98,313	224,162	178,022
	<u>6,653</u>	<u>119,196</u>	<u>98,313</u>	<u>224,162</u>	<u>178,022</u>

### 5 Governance costs

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2014 £	Total Funds 2013 £
Audit fees	4,100	-	-	4,100	4,020
	<u>4,100</u>	<u>-</u>	<u>-</u>	<u>4,100</u>	<u>4,020</u>

### 6 Net incoming resources for the year

This is stated after charging:

	2014 £	2013 £
Auditors' remuneration: fees		
- audit of the financial statements	<u>4,100</u>	<u>4,020</u>

# NEWCASTLE DIOCESAN SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2014

### 7. Summary of fund movements

	Balance at 1 Jan 2014 £	Incoming resources £	Outgoing resources £	Gains and losses £	Balance at 31 Dec 2014 £
<b>Unrestricted Income Funds:</b>					
General Funds	261,420	9,653	(10,753)	12,771	<b>273,091</b>
<b>Restricted Income Funds:</b>					
Restricted Funds	2,106,523	120,778	(119,196)	98,356	<b>2,206,461</b>
<b>Endowment Funds:</b>					
Permanent Endowment Funds	3,091,741	140,069	(98,313)	148,180	<b>3,281,677</b>
	<u>5,459,684</u>	<u>270,500</u>	<u>(228,262)</u>	<u>259,307</u>	<u>5,761,229</u>

### 8. Directors' remuneration and expenses

No remuneration has been paid to any director in their capacity as a director (2013: £NIL).

### 9. Employee details

NDS does not have any employees. All administrative functions are carried out by NDBF staff and NDS makes a grant to the NDBF in recognition of this assistance. The grant for 2014 was £6,623 (2013: £6,530)

### 10. Investments

	Listed investments £
<b>Within the United Kingdom</b>	
At 1 January 2014	4,850,305
Additions	72,228
Disposals	(42,488)
Revaluation	259,295
<b>At 31 December 2014</b>	<b>5,139,340</b>
Historical cost at 31 December 2014	2,456,656

### 11. Creditors: amounts falling due within one year

	2014 £	2013 £
Other creditors	<u>4,100</u>	<u>4,020</u>



## NEWCASTLE DIOCESAN SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2014

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#### 12. Analysis of net assets between funds

	Investments	Net current assets	Total
	£	£	£
<b>Restricted Income Funds:</b>			
Restricted Funds	1,961,554	244,907	2,206,461
<b>Endowment Funds:</b>			
Permanent Endowment Funds	2,925,183	356,494	3,281,677
<b>Unrestricted Income Funds:</b>			
General Funds	252,603	20,488	273,091
<b>Total Funds</b>	<b>5,139,340</b>	<b>621,889</b>	<b>5,761,229</b>

At 31 December 2014 NDS managed 89 trust funds (2013: 88 trust funds). These funds were held to cover a variety of purposes such as the upkeep and maintenance of church buildings, church halls or churchyards; the upkeep of church organs or music groups; general use by NDS directors; ecclesiastical/charitable purposes; to be used at the discretion of the Bishop, NDS or local vicars, and to provide funds for NDBF to offset the cost of stipends.

#### 13. Related party transactions

Nine of the NDS directors who served during the year were also directors of NDBF. During 2014 NDS paid out £33,074 (2013: £32,465) to the NDBF from its various funds mainly to assist in the payment of stipends and certain administration costs. This sum includes the amounts referred to in note 9 above.

NDS acts as custodian trustee over the assets of St Hilda's Trust. The Bishop of Newcastle was a trustee for both NDS and St Hilda's Trust until his retirement at the end of November 2014. The two charities had no other trustees in common.